Appendix 2 Updated Grant Agreement Key characteristics:

(i) Government will meet the council's costs of delivering the Thameslink up to the value of £419.5m – an addition of £319.5m over the £97m already granted. This is in addition to £2.9m of business rates previously provided by the GLA.

(ii) This will be in the form of a partially repayable grant, to be drawn down monthly on evidence of spend.

(iii) The grant is conditional on meeting key project milestones, and HMG retain the right to clawback the grant if these milestones are not met. This is in line with the terms of the existing £97m grant.

(iv) The grant will be repayable, as set out in (v) and (vi) below.

(v) The current ring-fence, which sets aside the growth in business rates from the expansion of Brent Cross Shopping Centre, will remain in place. Rather than using income to repay borrowing, the council will use it to repay the grant.

(vi) HMG will receive 50% of LBB profits from the Brent Cross South scheme (i.e. those arising from land receipts and joint venture surpluses) on a phase by phase basis, side by side with the council, and verified by independent RICS advisors. This condition reflects that the south side business rates will no longer be used to fund BXT.

(vii) The council will not be liable to repay the grant beyond the return of business rate growth to Government and 50% of the south side surpluses, unless it breaches the terms of the grant agreement.

(viii) That the council work with HMG to minimise the impact on government finances and ensure that the overall project has a positive, or no more than a de minimise negative, effect on the overall balance sheet.